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*Johnson & Johnson*

## Our Credo

We believe our first responsibility is to the patients, doctors and nurses, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to provide value, reduce our costs and maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our business partners must have an opportunity to make a fair profit.

We are responsible to our employees who work with us throughout the world. We must provide an inclusive work environment where each person must be considered as an individual. We must respect their diversity and dignity and recognize their merit. They must have a sense of security, fulfillment and purpose in their jobs. Compensation must be fair and adequate and working conditions clean, orderly and safe. We must support the health and well-being of our employees and help them fulfill their family and other personal responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide highly capable leaders and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must help people be healthier by supporting better access and care in more places around the world. We must be good citizens — support good works and charities, better health and education, and bear our fair share of taxes. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed, investments made for the future and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.

*Johnson & Johnson*

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K  
ANNUAL REPORT PURSUANT TO SECTION 13 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 30, 2018

Commission file number 1-3215

**JOHNSON & JOHNSON**

(Exact name of registrant as specified in its charter)

**New Jersey**  
(State of incorporation)

**22-1024240**  
(I.R.S. Employer Identification No.)

**One Johnson & Johnson Plaza  
New Brunswick, New Jersey**  
(Address of principal executive offices)

**08933**  
(Zip Code)

Registrant's telephone number, including area code: (732) 524-0400

**SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT**

Title of each class	Name of each exchange on which registered
Common Stock, Par Value \$1.00	New York Stock Exchange
4.75% Notes Due November 2019	New York Stock Exchange
0.250% Notes Due January 2022	New York Stock Exchange
0.650% Notes Due May 2024	New York Stock Exchange
5.50% Notes Due November 2024	New York Stock Exchange
1.150% Notes Due November 2028	New York Stock Exchange
1.650% Notes Due May 2035	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐  
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the Common Stock held by non-affiliates computed by reference to the price at which the Common Stock was last sold as of the last business day of the registrant's most recently completed second fiscal quarter was approximately \$325 billion.

On February 15, 2019, there were 2,663,138,579 shares of Common Stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Parts I and III: Portions of registrant's proxy statement for its 2019 annual meeting of shareholders filed within 120 days after the close of the registrant's fiscal year (the "Proxy Statement"), are incorporated by reference to this report on Form 10-K (this "Report").

## EXECUTIVE OFFICERS OF THE REGISTRANT

Listed below are the executive officers of the Company. There are no family relationships between any of the executive officers, and there is no arrangement or understanding between any executive officer and any other person pursuant to which the executive officer was selected. At the annual meeting of the Board of Directors, the executive officers are elected by the Board to hold office for one year and until their respective successors are elected and qualified, or until earlier resignation or removal.

Information with regard to the directors of the Company, including information for Alex Gorsky, who is also an executive officer, is incorporated herein by reference to the material captioned “Item 1. Election of Directors” in the Proxy Statement.

Name	Age	Position
Joaquin Duato	56	Vice Chairman, Executive Committee <sup>(a)</sup>
Peter M. Fasolo	56	Member, Executive Committee; Executive Vice President, Chief Human Resources Officer <sup>(b)</sup>
Alex Gorsky	58	Chairman, Board of Directors; Chairman, Executive Committee; Chief Executive Officer
Ashley McEvoy	48	Member, Executive Committee; Executive Vice President, Worldwide Chairman, Medical Devices <sup>(c)</sup>
Jorge Mesquita	57	Member, Executive Committee; Executive Vice President, Worldwide Chairman, Consumer <sup>(d)</sup>
Thibaut Mongon	49	Appointee, Member, Executive Committee, Executive Vice President, Worldwide Chairman, Consumer <sup>(e)</sup>
Michael E. Sneed	59	Member, Executive Committee; Executive Vice President, Global Corporate Affairs and Chief Communication Officer <sup>(f)</sup>
Paulus Stoffels	56	Vice Chairman, Executive Committee; Chief Scientific Officer <sup>(g)</sup>
Jennifer L. Taubert	55	Member, Executive Committee; Executive Vice President, Worldwide Chairman, Pharmaceuticals <sup>(h)</sup>
Michael H. Ullmann	60	Member, Executive Committee; Executive Vice President, General Counsel <sup>(i)</sup>
Kathryn E. Wengel	53	Member, Executive Committee; Executive Vice President, Chief Global Supply Chain Officer <sup>(j)</sup>
Joseph J. Wolk	52	Member, Executive Committee; Executive Vice President, Chief Financial Officer <sup>(k)</sup>

<sup>(a)</sup> Mr. J. Duato joined the Company in 1989 with Janssen-Farmaceutica S.A. (Spain), a subsidiary of the Company, and held executive positions of increasing responsibility in the Pharmaceutical sector. In 2009, he was named Company Group Chairman, Pharmaceuticals, and in 2011, he was named Worldwide Chairman, Pharmaceuticals. In 2016, Mr. Duato became a member of the Executive Committee and was named Executive Vice President, Worldwide Chairman, Pharmaceuticals. In July 2018, Mr. Duato was promoted to Vice Chairman of the Executive Committee, with responsibility for the company's Pharmaceutical and Consumer sectors, supply chain, information technology, global services and the Health & Wellness groups.

<sup>(b)</sup> Dr. P. M. Fasolo joined the Company in 2004 as Vice President, Worldwide Human Resources for Cordis Corporation, a subsidiary of the Company, and was subsequently named Vice President, Global Talent Management for the Company. He left Johnson & Johnson in 2007 to join Kohlberg Kravis Roberts & Co. as Chief Talent Officer. Dr. Fasolo returned to the Company in 2010 as the Vice President, Global Human Resources, and in 2011, he became a member of the Executive Committee. In April 2016, he was named Executive Vice President, Chief Human Resources Officer. Dr. Fasolo has responsibility for global talent, recruiting, diversity, compensation, benefits, employee relations and all aspects of the human resources agenda for the Company.

<sup>(c)</sup> Ms. A. McEvoy joined the Company in 1997 as Assistant Brand Manager of McNeil Consumer Health, a subsidiary of the Company, advancing through positions of increasing responsibilities until she was appointed Company Group Chairman, Vision Care in 2012, followed by Company Group Chairman, Consumer Medical Devices in 2014. In July 2018, Ms. McEvoy was promoted to Executive Vice President, Worldwide Chairman, Medical Devices, and became a member of the Executive Committee. She has responsibility for the surgery, orthopaedics, interventional solutions and eye health businesses across Ethicon, DePuy Synthes, Biosense Webster and Johnson & Johnson Vision.

<sup>(d)</sup> Mr. J. Mesquita joined the Company in 2014 as Worldwide Chairman, Consumer. Prior to joining the Company, he served in various marketing and leadership capacities across Latin America, including roles in Oral Care and Beauty at The Procter & Gamble

Company from 1984 to 2013. In April 2016, Mr. Mesquita became a member of the Executive Committee and was promoted to Executive Vice President, Worldwide Chairman, Consumer. Mr. Mesquita plans to retire from the Company in March 2019.

- (e) Mr. T. Mongon joined the Company in 2000 as Director of Marketing for the Vision Care group in France and subsequently held general management positions as Country Manager France, Belgium and North Africa, Managing Director Latin America, and President Asia-Pacific. Mr. Mongon transitioned to the Pharmaceutical sector in 2012 as the Global Commercial Strategy Leader for the Neuroscience therapeutic area, before joining the consumer sector as Company Group Chairman Asia-Pacific. The Company has announced that Mr. Mongon will be named Executive Vice President and Worldwide Chairman, Consumer, and a member of the Executive Committee, upon the retirement of his predecessor, Mr. Mesquita, effective March 1, 2019. In addition to leading the Consumer business, Mr. Mongon will have responsibility for Johnson & Johnson Southeast Asia.
- (f) Mr. M. E. Sneed joined the Company in 1986 as Product Director for Personal Products, a subsidiary of the Company, and gained increased responsibilities in executive positions across the global enterprise. In 2004, Mr. Sneed was appointed Company Group Chairman, Consumer North America, followed by Company Group Chairman, Vision Care Franchise in 2007. In 2012, he became the Vice President, Global Corporate Affairs and Chief Communications Officer. Mr. Sneed was appointed Executive Vice President, Global Corporate Affairs and Chief Communications Officer in January 2018, and became a member of the Executive Committee in July 2018, leading the corporation's global marketing, communication, design and philanthropy functions.
- (g) Dr. P. Stoffels joined the Company in 2002 with the acquisition of Tibotec Virco NV, where he was Chief Executive Officer of Virco NV and Chairman of Tibotec NV. In 2005, he was appointed Company Group Chairman, Global Virology. In 2006, he assumed the role of Company Group Chairman, Pharmaceuticals. Dr. Stoffels was appointed Global Head, Research & Development, Pharmaceuticals in 2009, and in 2011, became Worldwide Chairman, Pharmaceuticals. In 2012, Dr. Stoffels was appointed Chief Scientific Officer, and became a member of the Executive Committee. In 2016, Dr. Stoffels was named Executive Vice President, Chief Scientific Officer. In 2018, Dr. Stoffels was promoted to Vice Chairman of the Executive Committee, Chief Scientific Officer. He is responsible for the Company's innovation agenda across the Pharmaceutical, Medical Devices and Consumer sectors, product safety strategy, and the Company's global public health strategy.
- (h) Ms. J. L. Taubert joined the Company in 2005 as Worldwide Vice President at Johnson & Johnson Pharmaceutical Services, a subsidiary of the Company. She held several executive positions in the Pharmaceutical sector until 2012 when she was appointed Company Group Chairman, North America Pharmaceuticals, and in 2015 became Company Group Chairman, The Americas, Pharmaceuticals. In July 2018, Ms. Taubert was promoted to Executive Vice President, Worldwide Chairman, Pharmaceuticals, and became a member of the Executive Committee.
- (i) Mr. M. H. Ullmann joined the Company in 1989 as a corporate attorney in the Law Department. He was appointed Corporate Secretary in 1999 and served in that role until 2006. During that time, he also held various management positions in the Law Department. In 2006, he was named General Counsel, Medical Devices and Diagnostics and was appointed Vice President, General Counsel and became a member of the Executive Committee in 2012. In April 2016, Mr. Ullmann was named Executive Vice President, General Counsel. Mr. Ullmann has worldwide responsibility for legal, government affairs & policy, global security, aviation and health care compliance & privacy.
- (j) Ms. K. E. Wengel joined the Company in 1988 as Project Engineer and Engineering Supervisor at Janssen, a subsidiary of the Company. During her tenure with the Company, she has held a variety of strategic leadership and executive positions across the global enterprise, in roles within operations, quality, engineering, new products, information technology, and other technical and business functions. In 2010, Ms. Wengel became the first Chief Quality Officer of the Company. In 2014, she was promoted to Vice President, Johnson & Johnson Supply Chain. In July 2018, she was promoted to Executive Vice President, Chief Global Supply Chain Officer, and became a member of the Executive Committee.
- (k) Mr. J. J. Wolk joined the Company in 1998 as Finance Manager, Business Development for Ortho-McNeil, a subsidiary of the Company, and through the years held a variety of senior leadership roles in several segments and functions across the Company's subsidiaries, in Pharmaceuticals, Medical Devices and Supply Chain. From 2014 to 2016, he served as Vice President, Finance and Chief Financial Officer of the Janssen Pharmaceutical Companies of Johnson & Johnson. In 2016, Mr. Wolk became the Vice President, Investor Relations. In July 2018, he was appointed Executive Vice President, Chief Financial Officer and became a member of the Executive Committee. Mr. Wolk is responsible for leading the development and execution of the Company's global long-term financial strategy.

## PART II

### Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

As of February 15, 2019, there were 142,029 record holders of common stock of the Company. Additional information called for by this item is incorporated herein by reference to the following sections of this Report: Note 17 "Common Stock, Stock Option Plans and Stock Compensation Agreements" of the Notes to Consolidated Financial Statements included in Item 8; and Item 12 "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters — Equity Compensation Plan Information".

#### Issuer Purchases of Equity Securities

On December 17, 2018, the Company announced that its Board of Directors approved a share repurchase program, authorizing the Company to purchase up to \$5.0 billion of the Company's Common Stock. Share repurchases take place from time to time on the open market or through privately negotiated transactions. The repurchase program has no time limit and may be suspended for periods or discontinued at any time.

The following table provides information with respect to common stock purchases by the Company during the fiscal fourth quarter of 2018. Common stock purchases on the open market are made as part of a systematic plan to meet the needs of the Company's compensation programs. The repurchases below also include the stock-for-stock option exercises that settled in the fiscal fourth quarter.

Period	Total Number of Shares Purchased <sup>(1)</sup>	Avg. Price Paid Per Share	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup>	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs <sup>(3)</sup>
October 1, 2018 through October 28, 2018	2,192,500	\$138.74	—	—
October 29, 2018 through November 25, 2018	6,849,298	143.27	—	—
November 26, 2018 through December 30, 2018	18,130,189	139.10	7,073,136	32,131,870
Total	27,171,987			

<sup>(1)</sup> During the fiscal fourth quarter of 2018, the Company repurchased an aggregate of 27,171,987 shares of Johnson & Johnson Common Stock in open-market transactions, of which 7,073,136 shares were purchased pursuant to the repurchase program that was publicly announced on December 17, 2018, and of which 20,098,851 shares were purchased in open-market transactions as part of a systematic plan to meet the needs of the Company's compensation programs.

<sup>(2)</sup> As of December 30, 2018, an aggregate of 7,073,136 shares were purchased for a total of \$0.9 billion since the inception of the repurchase program announced on December 17, 2018.

<sup>(3)</sup> As of December 30, 2018, the maximum number of shares that may yet be purchased under the plan is 32,131,870 based on the closing price of Johnson & Johnson Common Stock on the New York Stock Exchange on December 28, 2018 of \$127.27 per share.

## Item 6. SELECTED FINANCIAL DATA

### Summary of Operations and Statistical Data 2008-2018\*

(Dollars in Millions Except Per Share Amounts)	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Sales to customers — U.S.	\$41,884	39,863	37,811	35,687	34,782	31,910	29,830	28,908	29,450	30,889	32,309
Sales to customers — International	39,697	36,587	34,079	34,387	39,549	39,402	37,394	36,122	32,137	31,008	31,438
<b>Total sales</b>	<b>81,581</b>	<b>76,450</b>	<b>71,890</b>	<b>70,074</b>	<b>74,331</b>	<b>71,312</b>	<b>67,224</b>	<b>65,030</b>	<b>61,587</b>	<b>61,897</b>	<b>63,747</b>
Cost of products sold	27,091	25,439	21,789	21,426	22,684	22,181	21,515	20,219	18,688	18,380	18,463
Selling, marketing and administrative expenses	22,540	21,520	20,067	21,079	21,887	21,650	20,697	20,800	19,296	19,712	21,431
Research and development expense	10,775	10,594	9,143	8,999	8,471	8,119	7,602	7,486	6,796	6,949	7,554
In-process research and development	1,126	408	29	224	178	580	1,163	—	—	—	181
Interest income	(611)	(385)	(368)	(128)	(67)	(74)	(64)	(91)	(107)	(90)	(361)
Interest expense, net of portion capitalized	1,005	934	726	552	533	482	532	571	455	451	435
Other (income) expense, net	1,405	(42)	210	(1,783)	82	2,903	2,004	3,115	(488)	(333)	(885)
Restructuring	251	309	491	509	—	—	—	569	—	1,073	—
	<b>63,582</b>	<b>58,777</b>	<b>52,087</b>	<b>50,878</b>	<b>53,768</b>	<b>55,841</b>	<b>53,449</b>	<b>52,669</b>	<b>44,640</b>	<b>46,142</b>	<b>46,818</b>
Earnings before provision for taxes on income	\$17,999	17,673	19,803	19,196	20,563	15,471	13,775	12,361	16,947	15,755	16,929
Provision for taxes on income	2,702	16,373	3,263	3,787	4,240	1,640	3,261	2,689	3,613	3,489	3,980
<b>Net earnings</b>	<b>15,297</b>	<b>1,300</b>	<b>16,540</b>	<b>15,409</b>	<b>16,323</b>	<b>13,831</b>	<b>10,514</b>	<b>9,672</b>	<b>13,334</b>	<b>12,266</b>	<b>12,949</b>
Add: Net loss attributable to noncontrolling interest	—	—	—	—	—	—	339	—	—	—	—
<b>Net earnings attributable to Johnson &amp; Johnson</b>	<b>15,297</b>	<b>1,300</b>	<b>16,540</b>	<b>15,409</b>	<b>16,323</b>	<b>13,831</b>	<b>10,853</b>	<b>9,672</b>	<b>13,334</b>	<b>12,266</b>	<b>12,949</b>
Percent of sales to customers	18.8%	1.7	23.0	22.0	22.0	19.4	16.1	14.9	21.7	19.8	20.3
Diluted net earnings per share of common stock <sup>(1)</sup>	\$5.61	0.47	5.93	5.48	5.70	4.81	3.86	3.49	4.78	4.40	4.57
Percent return on average shareholders' equity	25.5%	2.0	23.4	21.9	22.7	19.9	17.8	17.0	24.9	26.4	30.2
<b>Percent increase (decrease) over previous year:</b>											
Sales to customers	6.7%	6.3	2.6	(5.7)	4.2	6.1	3.4	5.6	(0.5)	(2.9)	4.3
Diluted net earnings per share	N/M	(92.1)%	8.2	(3.9)	18.5	24.6	10.6	(27.0)	8.6	(3.7)	25.9
<b>Supplementary balance sheet data:</b>											
Property, plant and equipment, net	17,035	17,005	15,912	15,905	16,126	16,710	16,097	14,739	14,553	14,759	14,365
Additions to property, plant and equipment	3,670	3,279	3,226	3,463	3,714	3,595	2,934	2,893	2,384	2,365	3,066
Total assets	152,954	157,303	141,208	133,411	130,358	131,754	121,347	113,644	102,908	94,682	84,912
Long-term debt	27,684	30,675	22,442	12,857	15,122	13,328	11,489	12,969	9,156	8,223	8,120
Operating cash flow	22,201	21,056	18,767	19,569	18,710	17,414	15,396	14,298	16,385	16,571	14,972
<b>Common stock information</b>											
Dividends paid per share	\$3.54	3.32	3.15	2.95	2.76	2.59	2.40	2.25	2.11	1.93	1.795
Shareholders' equity per share	22.44	22.43	26.02	25.82	25.06	26.25	23.33	20.95	20.66	18.37	15.35
Market price per share (year-end close)	\$127.27	139.72	115.21	102.72	105.06	92.35	69.48	65.58	61.85	64.41	58.56
Average shares outstanding (millions)											
— basic	2,681.5	2,692.0	2,737.3	2,771.8	2,815.2	2,809.2	2,753.3	2,736.0	2,751.4	2,759.5	2,802.5
— diluted	2,728.7	2,745.3	2,788.9	2,812.9	2,863.9	2,877.0	2,812.6	2,775.3	2,788.8	2,789.1	2,835.6
<b>Employees (thousands)</b>	<b>135.1</b>	<b>134.0</b>	<b>126.4</b>	<b>127.1</b>	<b>126.5</b>	<b>128.1</b>	<b>127.6</b>	<b>117.9</b>	<b>114.0</b>	<b>115.5</b>	<b>118.7</b>

<sup>(1)</sup> Attributable to Johnson & Johnson

\* Per the adoption of ASU 2017-07 prior year amounts on the Consolidated Statement of Earnings have been reclassified to retroactively apply classification of the service cost component and the other components of net periodic benefit cost

N/M = Not Meaningful